

Date: 25.02.2022

The Secretary
Central Electricity Regulatory Commission
3rd & 4th Floor, Chanderlok Building,
36, Janpath, New Delhi- 110001

Sub: Submission of comments/suggestions on proposed Draft Central Electricity Regulatory Commission (Connectivity and General Network Access to the inter-State Transmission System) Regulations, 2021

Ref: CERC notification No. L-1/261/2021/CERC Dated: 16.12.2021

Dear Sir,

On behalf of 'Adani Green Energy Ltd' (AGEL)', we welcome and appreciate the move of Hon'ble CERC to come up with new regulatory framework of Connectivity and General Network Access to the inter-State Transmission System Regulations, 2021 and inviting public consultation in order to facilitate nondiscriminatory open access to licensees or generating companies or consumers for use of ISTS system.

In this regard, we are pleased to submit our observation & suggestion as **Annexure-A** enclosed herewith for suitable consideration while finalizing the Connectivity and General Network Access to the Inter-State Transmission System Regulations, 2021

Thanking you,

Yours faithfully,

For & Behalf of Adani Green Energy Limited



Ravi Sinha Manager- Regulatory Affairs

Encl. As above

Adani Green Energy Limited "Adani Corporate House", Shantigram, Nr. Vaishno Devi Circle, S G Highway, Khodiyar, Ahmedabad – 382 421

Gujarat, India

CIN: U40106GJ2015PLC082007

Tel +91 79 2555 5555 Fax +91 79 2555 5500 investor.agel@adani.com www.adanigreenenergy.com

SN	Clause ref. no.	Provisions under Draft CERC Regulations, 2021	Proposed modifications/suggestion	Justification/Comments
1	3.2	Each application for grant of Connectivity shall be accompanied by a non-refundable application fee of Rs.5 lakh along with applicable taxes.	should be in line with the present regulations i.e.,	There is no rationale keeping proposed application fees of 5 lakh
2	3.3.	Each application for grant of GNA shall be accompanied by a nonrefundable application fee of Rs.5 lakh along with applicable taxes.	Up to 100MW : 2 lakh, 100MW>=500MW : 3 lakh, 500MW>=1000MW :6 lakh	for all kind of projects. This fee would be very high for small size project up to 50/100 MW, that is why it is proposed to be kept in line with the present regulations.
3	3.5	Connectivity or grant of GNA, to the Applicant within one week of the receipt of application, in	receipt of application. The Applicant shall rectify the deficiency within	Most of the time rectification requires co-ordination and approvals from external stake holder including govt. agencies which takes time to resolve the discrepancies. Thus, timelines for rectification of the deficiency for connectivity or GNA is proposed to be considered as 15 days at least.
4	4.2	eligible, on payment of application fees, to apply for enhancement of Connectivity of less than 50 MW subject to available capacity in transmission system.	Notwithstanding anything contained in Regulation 4.1, the entities having Connectivity shall be eligible, on payment of application fees, to apply for enhancement of Connectivity for any capacity subject to available capacity in transmission system.	utilization as well as well as addition of more generation capacity
5	5.2	Notwithstanding anything contained in Regulation 5.1, a generating station, with prior approval of CTU, shall be eligible to add, within the quantum of Connectivity granted to it, additional generation capacity, including ESS, and for this purpose, the generating station shall apply to CTU, along with non-refundable application fee of Rs 3 lakh along with applicable taxes:	Following proviso to be added: Provided that there shall be no such requirement for RE generating stations to obtain such approval	In case of RE, to maintain the minimum CUF requirement in terms of PPA, additional capacity may require to be added through repowering of some component of existing system based on the actual assessment generation if it is found low due to excessive degradation during O&M cycle. Hence, Repowering is proposed to be considered and allowed under capacity addition.
6	5.8(vi)	The application for grant of Connectivity shall contain, inter alia, the following details, as applicable, duly supported with relevant affidavit, as stipulated in the Detailed Procedure for Connectivity and GNA issued in accordance with Regulation 39.1 (vi) Registration number along with certificate issued by the CEA registry	It may be removed as a prerequisite at the time of application.	It should be exempted for submission at the time of filing of application however, it may be prompted before allowing physical connection of the generating station to the grid to avoid deletion of earlier registration followed by re-registration at CEA in case of making re application for connectivity due various reasons including change in project location or PSS.



ANNEXURE-A

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7	6.2	Any augmentation required, excluding terminal bay(s), to the existing ISTS identified under Regulation 6.1 of these regulations, shall be considered as the Associated Transmission System (ATS) for the Applicant(s).	Any augmentation required, excluding terminal bay(s), to the existing PSS or proposed PSS of ISTS system as have been identified w.r.t. interconnection of the generating station with the ISTS grid, shall be considered as the Associated Transmission System (ATS).	ISTS system beyond the interconnection point is to be used for power supply under GNA which is prerogative of STU/Discom. Where generating station is considered to be deemed GNA and not eligible for making GNA application. GNA is to be granted to STU/Discom irrespective of the point of injection and the point of drawl. Corresponding transmission charges/losses is also to be shared among buying entities/Discom for use of ISTS system under GNA. Thus, it is proposed that such associated ISTS system beyond the interconnection point of generator should be excluded from the ATS and should be comprises of the system which are or to be established within the boundary of interconnecting PSS only.
8	8.2 (c)	Conn-BG1, Conn-BG2 and Conn-BG3, as applicable, shall be furnished within 1 (one) month of intimation of in-principal grant of Connectivity, failing which the application for Connectivity shall be closed and application fee shall be forfeited.	Conn-BG1, Conn-BG2 and Conn-BG3, as applicable, shall be furnished within 1 (one) month from the date of BG draft confirmation as have been shared to nodal agency as such received from the bank/financial institutions.	Model Draft for the BG is usually modified little bit by bankers as per their need and suitability without impacting/changing the intent of the model BG draft. Thus, nodal agency confirmation and acceptance on the revised draft are required before its execution. In such case some delay may occur in BG submission. Therefore, it is proposed to consider the 1-month time from the date of the BG draft confirmation.
9	8.3 (d)	to estimated cost of ATS and terminal bay(s) and	The amount for which Conn-BG2 is to be furnished as per clause (b) of this Regulation, shall be equal to estimated cost of ATS required within the interconnecting PSS including the terminal bay(s) and the timeline for completion of ATS and terminal bay(s) shall be based on the scheduled date of commercial operation for such ATS and terminal bay(s). Provided in case of delay in readiness and commissioning of ATS required within the interconnecting PSS including the terminal bay(s) beyond 30 days of SCOD of the generating station as may be communicated during the process of connectivity grant, Generating entity shall have the option to withdraw such connectivity application without having any financial implication or in case the application is not withdrawn then the generating entity shall be compensated equivalent to the sum of LD imposed (if any due to such delay), tariff in cases where there's a PPA and at market rates if there is no PPA towards generation loss. In case of withdrawal of application by generating station, the connectivity shall be revoked within 15 days and Conn-BG1, BG2 and BG3 shall be returned within 30 days of such withdrawal request.	generating station SCOD in such case it is proposed to allow generating station to have liberty/option to take conscious call of withdrawing the connectivity application without risking the further investment on the project. And, the Conn-BG1, BG2 and BG3 if submitted any should be returned within one month of such withdrawal request. Further, to protect the interest of generating station on account



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	10.1	10.1. An entity which has been intimated the final grant of Connectivity, shall furnish technical connection data, inter alia, generator data for fault studies, dynamic simulation data, details of data and voice communication, to the Nodal Agency as stipulated in the Detailed Procedure for Connectivity and GNA issued in accordance with Regulation 39.1.	Following proviso may be added: Provided, in case of Renewable Energy generators, such details may be provided on or before the Connectivity Grantee's system getting physically connected to the ISTS system.	In case of renewable generators such as wind and solar, there is continuous technological advancements because of which system design, engineering, specifications may vary upto the commissioning therefore, such flexibility of providing technical data at the time of physical connectivity needs to be provided to RE generators.
10	10.6	In case of failure to sign the Connectivity Agreement by the entity that has been intimated final grant of Connectivity, as required under Regulation 10.3, the Nodal Agency may extend the time for signing the Connectivity Agreement for a maximum period of 30 days, failing which the final grant of Connectivity shall be revoked by the Nodal Agency under intimation to the Applicant, and the Conn-BG1, Conn-BG2 and Conn-BG3 shall be encashed. Provided that where no construction of ATS or terminal bays has been awarded for implementation, Conn-BG2 shall be returned within a month of such revocation.	In case of failure to sign the Connectivity Agreement by the entity that has been intimated final grant of Connectivity, as required under Regulation 10.3, the Nodal Agency may extend the time by 30 days at a time for signing the Connectivity Agreement subject to maximum period of 90 days, failing which the final grant of Connectivity shall be revoked by the Nodal Agency under intimation to the Applicant, and the Conn-BG1, Conn-BG2 and Conn-BG3 shall be encashed. Provided that where no construction of ATS or terminal bays has been awarded for implementation, Conn-BG2 & CON BG-3 shall be returned within a month of such revocation.	In present COVID situation or due to any other condition in case connectivity agreement is not executed within 30 days, suitable extension would be required which is proposed to be granted upon request of connectivity grantee, failing which connectivity can be revoked. Further, there is no rationale to hold the CON BG-3 which is required to be submitted in case of no ATS is required. It should also be released along with CON BG-2 in case of no construction of ATS or terminal bays has been awarded for implementation
11	12.4	The terminal bay(s) at the ISTS sub-station shall be under the scope of the transmission licensee owning the ISTS sub-station: Provided that the Connectivity grantee may, if it so chooses, construct and maintain the terminal bay(s) at its own cost by entering into an agreement with the transmission licensee owning the ISTS sub-station, subject to prior approval of the Nodal Agency:	The terminal bay(s) at the ISTS sub-station shall be under the scope of the transmission licensee owning the ISTS sub-station: Provided that the Connectivity grantee may, if it so chooses, construct and maintain the terminal bay(s) at its own cost by entering into an agreement with the transmission licensee owning the ISTS sub-station, subject to prior approval of the Nodal Agency. In such case connectivity grantee would construct the bay as per CEA technical standard, the grantee shall not be required to pay any supervision or design & engineering charges or any recurring charges on account of construction. Moreover, if the connectivity grantee does not carry out O&M of the bay on its own, it shall be liable to pay O&M charges not exceeding the normative O&M charges applicable (as determined by the Commission) and in case it chooses to carry out O&M of the bay on its own then no O&M charges shall be payable except for nominal administrative charges (as determined by the Commission).	If connectivity grantee chooses to construct and maintain the terminal bays at its own cost as per CEA technical standard in such case, no resource of ISTS licensee or/CTU is expected to be utilized against which any supervision or design & engineering charges or any other charges are required to be paid. Also, when maintenance of the terminal bays being done by the connectivity grantee itself, no payment towards maintenance charges is required to be paid.

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12	15.1	Provided that Connectivity granted to a parent company may be utilized by its subsidiary and Connectivity granted to a subsidiary may be utilized by its parent company	Provided that Connectivity granted to a parent company may be utilized by its subsidiary/fellow subsidiary/associate company/affiliate company and vice versa.	
13	16.2	Conn-BG2 and Conn-BG3 shall be returned in five equal parts over five years corresponding to the generation capacity which has been declared under commercial operation by the Connectivity grantee.	Conn-BG2 and Conn-BG3 shall be returned within 30 days corresponding to the generation capacity which has been declared under commercial operation by the Connectivity grantee. If part COD have been declared in case of part commissioning of the project, proportionate Conn-BG2 and Conn-BG3 shall be returned within 30 days of such part CoD	Huge BG requirement have been sought under the draft GNA regulation. Further, transmission charges/losses are to be shared among buying entities only in terms of sharing regulation under proposed GNA regulation and under current prevailing regulation also, it is having waiver once the generating station is commissioned. In no case transmission charges liability arises once the project is commissioned. Thus, it is unnecessary to hold the BG for such a long period and to be returned in parts. It will impact the cash flow of RE developer if BG is not returned immediately upon commissioning.
14	22.2(a)	a) Connectivity grantees covered under Regulation 4.1 of these regulations shall be deemed to have been granted GNA, equal to the quantum of Connectivity from the start date of Connectivity	a) Connectivity grantees covered under Regulation 4.1 of these regulations shall be deemed to have been granted GNA, equal to the quantum of Connectivity from the start date of Connectivity or such date as may be intimated by the connectivity grantee as start date of GNA w.r.t. the capacity in part or full being planned for commissioning provided such date must specifically be intimated 30 days prior to the proposed start date of GNA of such part capacity or full capacity along with deposition of one time GNA charges in terms of 22.2(d).	RE Project being commissioned in phase manner and not possible to connected entire capacity in 1 st attempt in such case of part commissioning it will attract huge GNA charges on the balance capacity until it is fully commissioned. That is why GNA start date
15	22.2(d)	Entities covered under Regulation 4.1 and clause (iii) of Regulation 17.1 of these regulations shall furnish one-time GNA charge for Rs. 1 lakh/MW for the quantum of GNA one month prior to the start date of GNA. In case, such charges are not furnished by the entity within the specified timeline, the same shall be recovered by encashment of Conn-BG1, Conn-BG2 and Conn-BG3 as required. The proceeds of such one-time GNA charge shall be used for reducing Monthly Transmission Charges under the Sharing Regulations.	Entities covered under Regulation 4.1 and clause (iii) of Regulation 17.1 of these regulations shall furnish one-time GNA charge @ > 2 lac for up to 100 MW; 3 lac for >100 and up to 500 MW; 6 lac for > 500 up to 1000 MW; 9 lac for > 1000 MW In case, such charges are not furnished by the entity within the specified timeline, the same shall be recovered by proportionate encashment of Conn-BG1, Conn-BG2 and Conn-BG3 equivalent to the required GNA charge. The proceeds of such one-time GNA charge recovered from BG encashment shall be used to set off against the one-time GNA charges subject to reinforcement of such BG to its original value by the generator. Such one-time GNA charge shall be used for reducing Monthly Transmission Charges under the Sharing Regulations. In case SCOD is extended for generating station, such extended period may be allowed to furnish the GNA charges with equivalent delay in start of GNA to align it with the extended SCOD.	Under the prevailing regulation, LTA application fee which is as good as the one-time charge against LTA is being charged @ > 2 lac up to 100 MW > 3 lac for >100 and up to 500 MW > 6 lac for > 500 up to 1000 MW > 9 lac for > 1000 MW Not treating different from LTA, GNA chares should be in line with the prevailing regulation and if such charges is not paid in time and proportionate BG is encashed to offset such amount subject to BG reinforcement to its original value. Such collected charges



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16	24.2	encashed, (ii) subsisting Conn-BG2 shall be encashed if the terminal bay(s) are already developed or construction of which has already been awarded for implementation and (iii) subsisting Conn-BG3 shall be encashed. (b) In case of relinquishment of part quantum of Connectivity, (i) subsisting Conn-BG2 shall be encashed in proportion to the relinquished quantum of Connectivity if the terminal bay(s) are already developed or the construction of which has already been awarded for implementation and (ii) subsisting Conn-BG3 corresponding to the relinquished quantum of Connectivity shall be	implementation and these terminal bays remains or expected to remain underutilized. If it is to be utilized by some other applicant in such case Con-BG-2 and Con BG-3 shall be returned. b) In case of relinquishment of part quantum of Connectivity, (i) subsisting Conn-BG2 & CON BG3 shall be encashed in proportion to the relinquished quantum of Connectivity if the terminal bay(s) are already developed or the construction of which has already been awarded for implementation and these terminal bays remains or expected to remain underutilized. If it is to be utilized by some other applicant in such case Con-BG-2 and Con BG-3 shall be returned to the applicant. Else, only Conn-BG1 shall be returned in terms of Regulation 16.1 considering full capacity after excluding such relinquished quantum Provided, If connectivity simultaneously make an application for connectivity at the same PSS through its 100% subsidiary or affiliated	relinquished by any grantee can be made available to the applicant in the que or it can be extended to the application if made by its 100% subsidiary or affiliated company for the same quantum with
17	24.3	For entities covered under Regulation 7.2 and where Conn-BG2 has been furnished as per Regulation 8.3 of these regulations, the following shall apply: (a) In case of relinquishment of full quantum of Connectivity, subsisting Conn-BG1 shall be encashed and subsisting Conn-BG2 shall be encashed corresponding to the ATS and terminal bay(s), construction of which has already been awarded for implementation	For entities covered under Regulation 7.2 and where Conn-BG2 has been furnished as per Regulation 8.3 of these regulations, the following shall apply: a) In case of relinquishment of full quantum of Connectivity, (i) subsisting Conn-BG1 shall be encashed (ii) if the terminal bay(s) are already developed or construction of which has already been awarded for implementation and these terminal bays remains or expected to remain underutilized in such case only Con-BG-2 and Con BG-3 shall also be encashed else, be returned if it is to be utilized by some other applicant. Provided, If connectivity simultaneously make an application for connectivity at the same PSS through its 100% subsidiary or affiliated company for the same quantum being placed for relinquishment with same start date in such case CON BG1, BG2 and BG-3 shall not be encashed and the same will adjusted against new connectivity application.	Same as above



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18	26.1	Eligibility for Temporary GNA (iv) Generating station including Renewable Energy Generating Station for meeting its auxiliary consumption or start-up power or for meeting its supply obligations in terms of clause (3) of Regulation 6 of the Power Market Regulations;	Eligibility for Temporary GNA (iv) Generating station including Renewable Energy Generating Station for meeting its auxiliary consumption or start-up power or for meeting its supply obligations in terms of clause (3) of Regulation 6 of the Power Market Regulations or in case of early commissioning in part or full before its SCoD as may be allowed to supply/sell power in terms of PPA or otherwise for optimum utilization the RE source from the capacity which is ready and commissioned;	RE generator are allowed to commission and supply power before SCOD under PPA or to any 3 rd party in case procurer refuses to buy power before full COD of the project. Re plants are generally being commissioned in phase manner that is why it can start power supply even before its SCOD in such case TGNA may be extended to RE generating station to accommodate the power injection on account of early or part commissioning subject to availably of the GNA/TGNA corridor or any alternate arrangement.
19	37.2 (c)	In case the Connectivity is surrendered in terms of option (ii) of clause (a) of this regulation or clause (b) of this regulation, Conn-BG1 and Conn-BG2, if any, furnished under the Connectivity Regulations shall be returned. Provided that in case the construction of terminal bay has been awarded for implementation under ISTS through CTU, Conn-BG2 furnished under the Connectivity Regulations shall be encashed	In case the Connectivity is surrendered in terms of option (ii) of clause (a) of this regulation or clause (b) of this regulation, Conn-BG1 and Conn-BG2, if any, furnished under the Connectivity Regulations shall be returned. Provided that in case the construction of terminal bay has been awarded for implementation under ISTS through CTU, and terminal bay is not being utilized and expected to remain unutilized by any other entity up to 2 years from its readiness Conn-BG2 furnished under the Connectivity Regulations encashed, else CON BG 2 shall be returned to the applicant within a month time.	Huge BG requirement is there under the present draft GNA regulation. There can be many instances where the connectivity applicants would be in que to grab the connectivity at PSS and connectivity being granted on firs come first serve basis. In such case it is expected that the system required for the capacity being relinquished by any grantee can be made available to the applicant in the que or it can be extended to the application if made by its 100% subsidiary or affiliated company for the same quantum with same start date. In such case not capacity would remain underutilized or stranded and accordingly CON BG1, BG2 and BG-3 shall not be encashed rather been proposed to be adjusted against new connectivity application or to be returned if being utilized by any other entity.
202	37.3(2)(d)	lakhs and Conn-BG3 @ Rs. 2 lakh/MW corresponding to such long-term Access quantum within two (2) months of exercising such option. In case any Conn-BG2 has been furnished under the Connectivity Regulations, the same shall be treated as Conn-BG2 under these regulations. Subsequent treatment of Conn-BG1, Conn-BG2 and Conn-BG3 shall be in terms of Regulations 16.1 to 16.4 of these regulations.	to convert the Long term Access granted under the Connectivity Regulations as deemed GNA under these Regulations. ConBG-1 and Con BG-2 as required under GNA shall be adjusted with already submitted ConBG-1 and ConBG-2 with Connectivity. BG submitted against LTA on target reason basis shall be adjusted against the ConBG-3 as required under GNA. And in case of transition from already granted LTA and who have firmed up their beneficiary Corresponding CON BG 3 will not be required and if submitted under previous regulation any shall be returned to the grantee.	BG requirement is not there in present connectivity regulation in case the beneficiary is being firmed up. In such case CON BG-3 requirement under GNA regulation is additional liabilities on the generating station who have already firmed up their beneficiaries. It is therefore proposed to exempt from submission of additional such CON BG 3 in case of transition from LTA with firmed up



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21	37.3(3)(d)	3(d)In case, the entity exercises the option (i) of clause (a) of this Regulation to convert the Long term Access granted under the Connectivity Regulations as GNA deemed to have been granted under these regulations, the Construction Bank Guarantee already furnished shall be treated as Conn-BG1 for Rs 50 lakhs and balance as Conn-BG2 under these regulations. In case no construction bank guarantee has been furnished pursuant to signing of PPA and PSA, it shall furnish Conn-BG1 for Rs. 50 lakhs and Conn-BG3 @ Rs. 2 lakh/MW corresponding to such Long term access quantum within two (2) months of exercising the option (i) under clause (a) of this Regulation. In case any Conn-BG2 has been furnished under Connectivity Regulations, the same shall be treated as Conn-BG2 under these regulations. The Conn-BG1, Conn-BG2 and Conn-BG3 shall be treated in terms of Regulations 16.1 to 16.4 of these regulations.	In case, the entity exercises the option (i) of clause (a) of this Regulation to convert the Long term Access granted under the Connectivity Regulations as deemed GNA under these Regulations. ConBG-1 and Con BG-2 as required under GNA shall be adjusted with already submitted ConBG-1 and ConBG-2 with Connectivity. BG submitted against LTA on target reason basis shall be adjusted against the ConBG-3 as required under GNA. And in case of transition from already granted LTA and who have firmed up their beneficiary Corresponding CON BG 3 will not be required and if submitted under previous regulation any shall be returned to the grantee. The Conn-BG1, Conn-BG2 and Conn-BG3 shall be treated in terms of Regulations 16.1 to 16.4 of these regulations.	Same as above
22	37.6(1)(a)	Entities covered under Regulation 4.1 of these regulations, which have not been granted Long Term Access for any capacity or granted Long term access for part of the capacity qua the Connectivity quantum under the Connectivity Regulations, may apply for additional GNA for balance quantum of Connectivity under Regulation 17.2 of these regulations. The same shall be processed by the Nodal Agency as under: a) In case additional GNA as applied for under Regulation 17.2 can be granted on existing transmission system, the Nodal Agency shall grant	Entities covered under Regulation 4.1 of these regulations, which have not been granted Long Term Access for any capacity or granted Long term access for part of the capacity qua the Connectivity quantum under the Connectivity Regulations, may apply for additional GNA for balance quantum of Connectivity under Regulation 17.2 of these regulations. The same shall be processed by the Nodal Agency as under: a) In case additional GNA for remaining part capacity or fresh GNA against entire capacity for which connectivity is already granted under previous regulation, as applied for under Regulation 17.2 can be granted on existing transmission system, the Nodal Agency shall grant such additional GNA on furnishing Conn-BG3 @ Rs.2 lakh/MW. Provided in case of entity which is already connected to grid and selling power through Exchange under STOA in terms of previous regulation, same shall be eligible for grant of T-GNA or may be deemed to have T-GNA and be continuing to sell to the power through exchange. In such case no Conn-BG3 @ Rs.2 lakh/MW shall be required for such transition.	There are merchant power plants who are selling power under STOA through exchange and in such case their existing STOA to be considered as deemed TGNA under present regulation without any additional BG requirement. They should be able to continue selling power over exchange. In such case there is a connectivity which has been granted under previous regulation but not LTA which can be deemed as GNA under present regulation.

